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1. (original) A method for tracking marketers of a digital product comprising the steps of:

storing user data associated with a plurality of registered users, wherein said user data includes a user identification code (userID) and payment information corresponding to each registered user of the plurality of registered users;

transferring a data packet associated with the digital product from a registered user of the plurality of registered users to another user, wherein the data packet includes a watermark storing the userID of the registered user;

transacting a purchase by the user of the digital product; and

processing the payment information corresponding to the registered user who transferred the data packet for effecting payment to the registered user for the sale of the digital product by the registered user to the user.

2. (original) The method of Claim 1, wherein the step of transferring further includes the step of updating the watermark to include the userID of the registered user who transferred the data packet.

3. (original) The method of Claim 1, wherein the method is performed in accordance with a multi-level marketing business model.

4. (original) The method of Claim 1, wherein the data packet includes a product content file including the content of the product and a preview file including a sample of the content of the product, and wherein the watermark is embedded in the preview file.

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5. (original) The method of Claim 1, wherein the data packet includes a product content file, wherein the watermark is embedded in the product content file.

6. (original) The method of Claim 1, wherein a portion of the data packet is encrypted, and wherein the step of transacting a purchase further includes the step of providing a key for decrypting the encrypted portion.

7. (original) The method of Claim 2, wherein the step of transacting a purchase further includes the step of transmitting the updated watermark.

8. (original) The method of Claim 2, wherein the step of processing the payment further includes the step of receiving the updated watermark.

9. (original) The method of Claim 4, wherein the product content file is encrypted.

10. (original) The method of Claim 4, wherein the preview file is not encrypted.

11. (original) The method of Claim 5, wherein the data packet is secured for preventing use of the product by the user prior to receiving the key for decrypting.

12. (original) A method for tracking marketers of a digital product comprising the steps of:

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updating history data stored within a watermark associated with a digital product every time the digital product is transferred, wherein the history data includes data associated with individuals who have transferred the digital product to another individual;

accessing the history data;

transacting a sale of the digital product; and

rewarding the individuals who have transferred the digital product to another individual for effecting a sale of the digital product.

13. (original) The method of Claim 12, wherein the method is in accordance with a multi-level marketing business model.

14. (withdrawn) A vendor server for tracking marketers of a digital product, said vendor server comprising a processor executing computer code for performing functions including:

storing user data associated with a plurality of registered users, wherein said user data includes a user identification code (userID) and payment information corresponding to each registered user of the plurality of registered users;

receiving watermark history data associated with a product, the watermark history data including the userID corresponding to registered users who have transferred a file associated with the product for marketing the product;

transacting a purchase of the product by a user; and

updating payment information corresponding to the registered users who have transferred the file.

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15. (withdrawn) The vendor server of Claim 14, wherein the processor performs a further function including providing a decryption key for enabling the user to decrypt a product content file containing the content of the product.

16. (withdrawn) A consumer server for tracking marketers of a digital product, said consumer server comprising a processor executing computer code for performing functions including:

receiving a data packet associated with a digital product marketed by a user of another processor, wherein the data packet includes a watermark storing history data including identification for each user that transferred the data packet to another user and a product content file;

transmitting the history data;

transacting a purchase of the digital product; and

receiving decryption data for decrypting the product content file.

17. (withdrawn) The consumer server of Claim 16, wherein the data packet further includes a preview file including a sample of the content of the product, and wherein the watermark is embedded in the preview file.

18. (withdrawn) The consumer server of Claim 16, wherein the product content file of the data packet is received in an encrypted form, and the preview file of the data packet is received in an unencrypted form.

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19. (withdrawn) The consumer server of Claim 16, wherein the data packet is secured for preventing use of the product prior to receiving the key for decrypting.

20. (withdrawn) The consumer server of Claim 16, wherein the transmitted history data is encrypted.

21. (new) A business method for enabling peer-to-peer marketing of content, the method comprising, not necessarily in the following order:

- first transferring a first embodiment of at least one software module from an originator to a prospective reseller, the first embodiment being readable by at least one data processing device, the software module being adapted to
  - verify a watermark;
  - update sale history information upon transfer of a digital product; and
  - inform an originator of any such transfer of the digital product; and
- second transferring, at least one second embodiment of at least one data package from the originator to the prospective reseller, the second embodiment being readable by at least one data processing device, the data package comprising a respective watermark, respective sale history information, and a respective digital product that is separate from the respective watermark.

22. (new) The method of claim 21, wherein the data package comprises

- at least one encrypted product content file;

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- at least one key for use in decryption of the encrypted file; and
- at least one preview file comprising the respective watermark, the preview file not being encrypted.

23. (new) The method of claim 22, wherein

- the encrypted product content file comprises at least one decryption key, identification of the digital product associated with the prospective reseller, and a respective second watermark; and
- the preview file comprises the respective sale history information.

24. (new) The method of claim 21, wherein the module is adapted to encrypt the respective watermark so that it is not accessible to the prospective reseller.

25. (new) The method of claim 21, wherein the module is adapted to complete commercial aspects of transactions with second level consumers wishing to purchase the respective digital product from the prospective reseller.

26. (new) The method of claim 21, wherein the module is adapted to allow second level consumers to transfer the respective digital product without purchasing it.

27. (new) The method of claim 21, wherein the watermark is adapted to comprise respective sale history information for each transfer of the data package during peer-to-peer sharing and to report the same to the originator.